

# Bank Paid Spy Unit Officer, Hearing Told

By GENE BLAKE, *Times Staff Writer*

A former member of a now-disbanded Los Angeles police intelligence unit testified Monday that he was paid by Security Pacific National Bank for consulting work and shared information with other private organizations, including Exxon Corp.

The testimony was given at the departmental disciplinary hearing of suspended Detective Jay Paul by Sgt. Perry Hutchison, who worked with Paul in the Public Disorder Intelligence Division from 1979 to 1981.

Hutchison, now assigned to the Jail Division, said he was the PDID's liaison with Security Pacific Bank. One instance in which the PDID worked with bank personnel involved a terrorist group opposed to Philippine President Ferdinand E. Marcos, Hutchison said.

The terrorist group responsible for bombings in the Philippines was alleged by the Marcos regime to be run by opposition leader Benigno S. Aquino Jr., then in exile in this country.

"We were concerned with counterattacks on him (Aquino),"

Hutchison told the Board of Rights hearing charges against Paul.

"We traded information through Security Pacific personnel because they had both sides of the picture," he added, alluding to the bank's contacts resulting from its international operations.

Aquino was assassinated last August when he stepped off a plane in Manila upon his return from three years of self-imposed exile in the United States.

Hutchison said the work for which he was paid by Security Pacific Bank was an intelligence study of foreign countries. At the time he was a member of a local law enforcement committee doing anti-terrorist planning for the forthcoming Olympic Games in Los Angeles, he added.

The bank had an extensive and "very, very expensive" library on foreign countries that was not available in the Police Department, Hutchison said.

He testified that although he did not complete his project for the

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Police Department, he did finish his study for the bank.

Hutchison recalled that his pay came in the form of monthly tuition assistance for school courses he was taking. He said he did not tell his commanding officer, then-Capt. Robert Loomis, that he was being paid.

However, he said the fact that he was being paid was known by another superior in the PDID, Detective Jim Davis. He said that Davis advised him not to apply for a work permit and that he was not disciplined for failing to do so.

Another example of the PDID's trading information on a quid pro quo basis with private organizations involved Exxon Corp., Hutchison said.

He testified that Exxon consulted the PDID regarding security of the anchorage at the Alaskan oil port of Valdez, and that the PDID provided an assessment of a letter threatening Exxon's offshore wells near Santa Barbara.

Hutchison said he believed that other officers in the PDID were paid for consulting work and speaking engagements for private organizations.

Hutchison was called as a department witness to identify some Olympics planning documents he wrote and which were recovered from Paul. Paul is accused of storing such documents at his home and leaking them to a private right-wing organization, the Western Goals Foundation.

However, Hutchison's testimony about his outside activities tended to support Paul's claim that his work with Western Goals Foundation, which allegedly paid him \$2,500 a month as a consultant, was authorized.

Meanwhile, Paul's wife, who practices law under her maiden name, Ann Love, balked at producing records sought for the Board of Rights hearing.

A computer owned by Western Goals Foundation and utilized by Paul was installed in his wife's office. Paul's departmental representative, Sgt. Darryl Mounger, claims that there was a contract between Paul's wife and Western Goals Foundation.

Sgt. Ken Small, who is presenting the department's case against Paul, told the board that a subpoena had been given to the defense directing Paul's wife to bring in her records, but she failed to show up.

Mounger said the subpoena could not be served because Paul's wife is outside the jurisdiction of the city.